

July 22, 2010

The Honourable Tony Clement
Minister of Industry
C.D. Howe Building
235 Queen Street
Ottawa, Ontario K1A 0H5

Dear Minister:

The Canadian Institute of Actuaries (CIA) is seriously concerned about the recent Statistics Canada announcement regarding the replacement of the mandatory version of the Long Census Form with a voluntary version. We believe this decision will result in a reduction of the quality of both the census data collected and of the policy and business decisions based on the data.

Voluntary participation means that a bias may be introduced in the results, as Canadians choose whether or not to answer the survey. For example, which Canadians will choose to respond? Perhaps those with less education or higher incomes will be less inclined to respond. Or part-time workers may have more time to devote to answering a voluntary questionnaire. We simply do not know. The results will need to be adjusted to correct the bias and it will be difficult to know how much of an adjustment to make. Even if a reasonable correction is made, there will always be concerns that the end result is flawed.

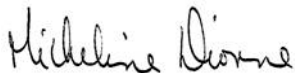
In the actuarial profession, we work hard to substitute facts for appearances. This helps us better understand the world we live in. There is always a need for better and more information, not for less credible data. Of course, better information comes at a cost. But using trial and error in the design of public policies is likely to be even more costly, for example, when dealing with critical policies like pension reform. The retirement savings sector needs accurate, reliable data on labour markets and on sources of income to back solid pension reforms, not only for the current proposals but also the future reforms that will, no doubt, be needed as the Canadian pension landscape evolves.

We urge you to reconsider the change from a mandatory to a voluntary long form census in order to ensure that Canadian needs are addressed as effectively as possible.

The Institute has set up a group which will produce the profession's position on the subject next week and we would be pleased to meet with you to discuss the topic.

We thank you in advance for giving consideration to our comments.

Respectfully submitted,



Micheline Dionne, FCIA, FSA, MAAA
President

The Canadian Institute of Actuaries (CIA) is the national organization of the actuarial profession. It establishes the Rules of Professional Conduct, guiding principles and monitoring and discipline processes for qualified actuaries. All members must adhere to the profession's Standards of Practice. The CIA follows its Guiding Principles, including Principle 1 which holds the duty of the profession to the public above the needs of the profession and its members. The CIA also assists the Actuarial Standards Board in developing standards of practice applicable to actuaries working in Canada.